

**Northwest Indiana Regional Development Authority  
Application for Financial Support**

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**Applicant:** Lake Porter Regional Bus Authority

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**Applicant's legal status:** IC 36-9-3-2(c), IC 36-7.5.

**Project Description**

The Lake and Porter Counties' Regional Bus Authority is requesting a grant of \$125,000 to use as the required local match for a \$500,000 federal grant secured by First District Congressman Peter Visclosky. The purpose of the grant is to fund a comprehensive regional bus study that includes the following elements:

- a marketing analysis with emphasis on identifying new and/or underserved markets;
- identification of specific services startup and long term capital and operating costs;
- recommendations on the optimal organizational structure for both service delivery and administrative functions;
- an identification and analysis of long - term funding options for regional public transit; and
- administrative operating policies and procedures for the RBA including recommended staffing plan and long term administrative funding options
- a strong public involvement component that clearly ties what the public had to say to how the final recommendations were formed.

The need for the RBA to perform this study came out of the debate to create the RDA. There are a great many unknowns about regional bus and demand response transit and

it is appropriate to first answer those and establish facts. The study is designed to provide factual information upon which investment decisions may be made.

The regional bus study is to be completed by a professional consultant selected through the request for proposals (RFP) process. RBA members will serve as the RFP review and consultant selection committee. The technical applicant for the federal funds is the Northwestern Indiana Regional Planning Commission (NIRPC). (The federal funds will be administered through the Federal Transit Administration which limits grantees to designated eligible recipients, of which NIRPC is one.) The selected consultant will be the one that best meets the review criteria including expertise and experience in the field, understanding of the project, qualifications of team members, and cost. It is anticipated that the major tasks of the study will be completed in eight to ten months. The scope of work for the RFP is Attachment No. 4.

This effort will utilize a great deal of existing information and take it to the next level. At the end of the study the RBA will be able to say whether and where regional transit will work, how much it will cost up - front and over time, what it will look like (type of service), what is the most cost - effective and efficient way to provide it, and who the operator(s) should be. The RBA will also be able to address sources of long term funding subsidy needed to operate and maintain a regional transit system. Finally, the study will provide information and recommendations on how the RBA itself should function, both in relationship to the operator(s) of a regional system, and as an administrative entity.

## **Economic Impact Statement**

The economic benefits for the improvement of Bus and Demand Response Transportation Service accrue in the following ways:

- Improvement of Mobility – The availability of high quality public transit allows the region's residents choices for making trips for all purposes. For those who do not have access to a car for reasons of age, disability or income, transit reduces dependence on others, increases access to jobs, and allows choice for shopping and medical needs.
- Reduction of Congestion – The availability of transit can reduce the number of cars burning expensive and polluting imported fuel on the region's crowded roadways. Because Northwest Indiana is included in the Chicago Consolidated Metropolitan Area, independent statistics on the costs of congestion for the region are not available. In Indianapolis, where comparable statistics are available, bus and demand response transit save each person over \$130 each year in "congestion costs", which are defined as the dollar value of the added time and expense all drivers face if transit were not available.

- Improvement in Efficiency and Effectiveness – One of the major objectives of the regional bus study is to determine if there is a better way to use existing resources to improve and expand public transit in northwest Indiana, and how to pay for more.
- Local Purchase of Labor and Services – Currently \$14 million is spent locally each year to provide bus and demand response public transportation, excluding that spent by social service agencies. The impact of these expenditures on the economy provides a benefit in excess of \$50 million per year. With thoughtful and effective phased expansion this impact can only grow.

In 2005, the RBA had Policy Analytics of Indianapolis evaluate the economic impact of optimizing transportation in Northwest Indiana. The report, which evaluated the combined effects of improving bus and demand response service and new commuter rail service Lake and Porter Counties found that public transportation investment would:

- Create 4,900 new jobs in Lake and Porter Counties by 2020
- Create an annual \$720 million in increase economic output
- Create an annual \$277 million in disposable personal income
- Increase population by 5,000 more than natural growth by 2020

In addition these benefits would continue to accrue into the future. The complete report is available upon request.

### **Quality of Life Statement**

Public transit's contribution to a high quality of life has been documented in research funded by the Federal Transit Administration and reported by the Transportation Research Board. Special emphasis in the research over the past few years has been on access to jobs and impacts on the rate of poverty, rural transit and public health impacts, and public transit and its impacts on senior citizens. (See Attachment No. 2 for summaries of recent research.)

To relate this to Northwest Indiana, one only had to read the front pages of the Post-Tribune the week of Jan. 30, 2006. A front page article addressed the need for 2 new vans for volunteers to drive veterans to the Adam Benjamin Veteran's Clinic. There aren't enough existing public transit resources to provide military veterans a ride to see their doctors. Read that last line a few more times.

Another front page article that puts a local face on public transit addressed the new state requirement for seniors over 85 to be tested every two years to renew a drivers license "to improve safety". The article quotes an elderly gentleman acknowledging that there are seniors out there driving who should not be behind the wheel of a car. The article also showed the statistical increase in accidents with senior drivers. It begins to rival that of teens beginning at age 65. Attachment No. 3 is a summary description of the aging of northwest Indiana. A more complete demographics analysis of the region may be found in Chapter 2 of the Connections 2030 Regional Transportation Plan on

NIRPC's web site at [www.nirpc.org](http://www.nirpc.org). Attachment No. 4 contains copies of noted newspaper articles.

Numerous studies have also been done on other benefits of public transit to the general public. It can help reduce the number of cars on congested roads, which helps improve traffic flow, which helps improve the air quality, which helps people breathe easier. The RBA would be pleased to help provide information on asthma in northwest Indiana, especially among children.

The results of the decisions made now about regional public transit will have an increasing impact on the quality of life in northwest Indiana for many years to come. The RBA would be happy to provide additional national research materials on public transit and quality of life issues.

### **Funding Request and Financial Analysis**

Total project cost:	\$625,000
RDA funds requested:	125,000
Total from other sources:	
Federal:	\$500,000
State:	0
Local:	(RDA)
Private:	0

- This grant application applies to the local match for the two-county regional bus study. The regional bus study is the first step in the determination to create and fund a regional system of bus and demand response public transportation.
- The requested grant is for one year as a local match for the federal grant. The local funding commitment must be in place prior to federal approval.
- Federal funding in the amount of \$500,000 is contained in the new transportation act passed by Congress in December, 2005. It will be administered by the Federal Transit Administration through a grant agreement with NIRPC.

<b>Regional Bus Study Timeline</b>	
<b>Period Starting</b>	<b>Task</b>
<b>4/1/06</b>	<b>Start of Planning Study Initial RBA Board Presentation</b>
<b>6/1/06</b>	<b>Public Meetings</b>
<b>8/1/06</b>	<b>RBA Board review of service and management options</b>
<b>9/1/06</b>	<b>Public Meetings on proposals</b>
<b>10/1/06</b>	<b>RBA Board review of draft strategic and operations plan</b>
<b>11/1/06</b>	<b>Public Meetings on Draft Plan</b>
<b>11/15/06</b>	<b>Presentation To RDA of RBA Strategic and Operations Plan</b>
<b>1/1/07</b>	<b>Revised RBA Strategic and Operations Plan Approved by RDA Operating, Service Development and Capital Budgets Approved By RDA</b>
<b>3/15/07</b>	<b>First Existing Operations Supported through RBA</b>
<b>5/1/07</b>	<b>First New Service Started</b>

## **Supporting Materials**

### **A. Attached are:**

1. Scope of Work from the RFP for the Regional Bus Study
2. APTA 's summaries of the Benefits of Public Transportation - Mobility for America's Small Urban and Rural Communities, and Mobility for the Aging Population
3. Summary of Aging In Northwest Indiana
4. Recent Pertinent Newspaper Articles

**B. On the Internet:** Chapters 2 & 4 of the Connections 2030 Regional Transportation Plan may be accessed through the NIRPC web site at [www.nirpc.org](http://www.nirpc.org).

### **C. Statement of Relationship to Other Existing or Proposed Economic Development Projects**

A comprehensive approach to public transit in northwest Indiana will interconnect the Gary Chicago International Airport, the South Shore, new commuter rail lines, and lakefront redevelopment. Bus and demand response can play a roll in getting people to the trains, airplanes, jobs and recreational opportunities. The convenience of transit will increase the attractiveness of an area to vacationers, convention-goers, and other visitors.

### **D, Ethics Guidelines**

The RBA is in the process of developing ethics guidelines that will be modeled on those of the RDA.